

SOUTH COAST



WATER DISTRICT

---

---

**Board of Directors**

Wayne Rayfield  
*President*

Ingrid McGuire  
*Vice President*

Bob Moore  
*Director*

Richard Gardner  
*Director*

Richard Runge  
*Director*

August 30, 2012

The Honorable Thomas J. Borris  
Presiding Judge of the Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

SUBJECT: GRAND JURY RESPONSE  
"TRANSPARENCY BREAKING UP COMPENSATION FOG –  
BUT WHY HIDE PENSION COSTS?"

Dear Honorable Thomas Borris:

In response to the request from the Grand Jury dated June 7, 2012, South Coast Water District (SCWD) submits the following information:

**Response to Findings**

**F.2 Content & Clarity Ratings for EXECUTIVE Compensation Cost**

South Coast Water District agrees with the finding.

**F.3 Content & Clarity for EMPLOYEE Compensation Cost Ratings**

South Coast Water District agrees with the finding.

**F.4 Transparency of Employer Pension Contribution Rates**

South Coast Water District agrees with the finding.

**F.5 Inclusion of Overtime and On-Call Pay in Employee Compensation Costs**

South Coast Water District agrees with the finding.

## **Recommendations**

**R.2 Content & Clarity of EXECUTIVE Compensation Costs – Each of the forty-one of the fifty-seven Orange County cities, districts and joint power authority that were rated less than excellent for their Content and Clarity for their Executive and Elected Officials compensation page upgrade their Executive Compensation page. See Appendix D for a suggested full disclosure model which is the same as 2011 with expanded descriptions, but with particular emphasis on pension costs.**

South Coast Water District has implemented this finding following the example provided in Appendix D. An Executive Compensation Disclosure page for the Calendar Year 2011 for elected officials and executive positions earning a base salary in excess of \$100,000 per year has been posted on the District's website. Additionally the names of the elected officials are included.

**R.3 Content & Clarity of EMPLOYEE Compensation Costs –The County of Orange and all Orange County cities, districts and joint power authority that were rated less than excellent for Content and Clarity for their Employee compensation costs pages upgrade their Employee pages. See Appendix D for a suggested full disclosure model which is the same as 2011 with the addition of overtime pay, on-call pay and expanded descriptions, with particular emphasis on pension costs.**

South Coast Water District has implemented this finding following the example provided in Appendix D. An Employee Compensation Disclosure page for the Calendar Year 2011 including all employees as well as the elected officials has been posted on the District's website. The names of the elected officials are included as well.

**R.4 Transparency of Employer Pension Contribution Rates – All Orange County cities, districts and joint power authority, as well as the County of Orange, post their employer pension annual contribution rates prominently and transparently on their web sites. Current and recent rates would be instructive and informative. It is recognized that some already do.**

South Coast Water District has implemented this finding. The District has posted a chart on the District's website showing the District's CalPERS pension annual contribution rates for the current 2012-13 fiscal year as well as the contribution rates for the last five fiscal years. This chart is a separate item that you can select after you click the Transparency and Compensation link.

**R.5 Transparency of Overtime Pay and On-Call Pay in Employee Compensation Cost Reporting - All Orange County cities, districts, and joint power authority, as well as the County of Orange, include overtime pay and on-call pay in compensation cost reporting on their employees' compensation pages. See Appendix D for a suggested full disclosure model for these new compensation cost reporting categories.**

South Coast Water District has implemented this finding following the example provided in Appendix D. An Employee Compensation Disclosure page for the Calendar Year 2011 has been posted on the District's website.

Sincerely,

SOUTH COAST WATER DISTRICT



Michael P. Dunbar  
General Manager

Enclosures

cc: Roy B. Baker III, Foreman, 2011-2012 OC Grand Jury  
SCWD Board of Directors

SOUTH COAST WATER DISTRICT EXECUTIVE COMPENSATION DISCLOSURE  
FOR CALENDAR YEAR 2011

Line #	Department	Classification	Base Salary	Overtime	Other Pay*	Insurance Premiums	Pension Costs**	Total Compensation
1	Board Member	Director Robert Moore	21,800	-	21,800	-	-	43,600
2	Board Member	Director Ingrid McGuire	20,330	-	20,330	-	-	40,660
3	Board Member	Director Wayne Rayfield	20,140	-	20,140	-	-	40,280
4	Board Member	Director Richard Gardner	19,570	-	19,570	-	-	39,140
5	Board Member	Director Richard Runge	9,310	-	9,310	-	-	18,620
6	Executive	General Manager	194,474	-	26,958	18,040	32,127	271,599
7	Executive	Asst GM/Legal Cnsl	185,212	-	24,287	20,164	31,206	260,868
8	Operations	Director Operations	156,988	-	5,804	21,161	25,934	209,888
9	Engineering	Director of Prop. Dev.	144,779	-	8,637	18,173	23,917	195,506
10	Finance	Director of Finance	138,549	-	7,119	7,126	22,888	175,682
11	Engineering	Director of Engr	137,726	-	4,400	18,053	22,752	182,932
12	Information Tech.	IT Manager	127,283	-	10,805	8,052	21,436	167,576
13	Human Resources	Human Resources Mgr	119,267	-	16,733	8,881	20,508	165,390
14	Operations	O&M Superintendent	118,974	-	13,683	20,132	20,448	173,237
15	Public Information	Communications Offr	116,720	-	13,725	17,299	20,048	167,792
16	Engineering	Senior Civil Engr	112,797	-	5,501	15,293	19,378	152,968
17	Finance	Acctnt/Spec. Projects	110,146	-	1,297	8,597	18,196	138,237
		TOTALS	1,754,064	-	230,099	180,971	278,841	2,443,976

\* Other pay includes Board Meeting/Committee fees, deferred compensation match, merit payouts, pay in lieu of time off, and automobile allowances

\*\* Pension Costs -2% @ 55 - Includes both the Employer and Employee Contributions

CalPERS Employer Rate from January 1 - June 30, 2011 = 8.984%; from July 1 - December 31, 2011 = 10.059; District pays full employee rate of 7%

SOUTH COAST WATER DISTRICT EMPLOYEE COMPENSATION DISCLOSURE  
FOR CALENDAR YEAR 2011

Line #	Department	Classification	Base Salary	Overtime	Other Pay**	Insurance Premiums	Pension Costs**	Total Compensation
1	Board Member	Director Robert Moore	-	-	21,800	-	-	21,800
2	Board Member	Director Ingrid McGuire	-	-	20,330	-	-	20,330
3	Board Member	Director Wayne Rayfield	-	-	20,140	-	-	20,140
4	Board Member	Director Richard Gardner	-	-	19,570	-	-	19,570
5	Board Member	Director Richard Runge	-	-	9,310	-	-	9,310
6	Executive	General Manager	194,474	-	26,958	18,040	32,127	271,599
7	Executive	Asst GM/Legal Cnsl	185,212	-	24,287	20,164	31,206	260,868
8	Executive	Executive Asst. GM	68,190	3,549	1,175	10,527	11,265	94,706
9	Public Information	Communications Offr	116,720	-	13,725	17,298	20,048	167,791
10	Human Resources	Human Resources Mgr	119,267	-	16,733	8,881	20,508	165,390
11	Human Resources	Senior Admin Asst	74,271	136	10,266	17,269	12,767	114,709
12	Finance	Director of Finance	138,549	-	7,119	7,126	22,888	175,682
13	Finance	Accountant	64,979	116	975	11,803	10,734	88,606
14	Finance	Fin/Budget Analyst	86,913	157	5,029	17,460	14,933	124,491
15	Finance	Payroll Accountant	82,868	60	3,912	8,148	14,084	109,073
16	Finance	Senior Accountant	73,292	154	1,200	20,105	12,108	106,858
17	Finance	Acctnt/Spec. Projects	110,146	-	1,297	8,597	18,196	138,237
18	Finance	Contracts Officer	96,732	-	5,256	7,973	16,621	126,583
19	Administration	Admin Svcs Mgr	75,005	-	1,200	17,756	12,391	106,352
20	Administration	Admin Asst II	57,980	2,084	2,383	10,955	9,770	83,172
21	Administration	Admin Asst II	61,067	1,934	2,324	7,687	10,291	83,303
22	Administration	Admin Asst I	26,563	630	1,100	14,825	4,388	47,506
23	Administration	Part Time Temp Emp	8,555	-	-	-	-	8,555
24	Administration	Part Time Temp Emp	13,777	-	-	-	-	13,777
25	Information Tech	IT Manager	127,283	-	10,805	8,052	21,436	167,576
26	Information Tech	Sr. Network Engr	91,119	160	9,918	11,533	15,053	127,784
27	Customer Service	Customer Service Mgr	87,139	-	6,360	20,351	14,395	128,245
28	Customer Service	Cust Serv Field Supvr	76,347	2,133	3,709	16,650	13,101	111,940
29	Customer Service	Data Analysts/CST	74,959	1,072	1,375	7,479	12,383	97,268
30	Customer Service	Cust Serv Field Rep II	65,037	113	7,949	20,271	10,744	104,114
31	Customer Service	Cust Serv Field Rep II	53,790	479	1,994	7,607	8,886	72,757
32	Customer Service	Cust Serv Tech II	56,342	203	3,073	14,830	9,494	83,942
33	Customer Service	Cust Serv Tech II	53,088	981	3,468	16,170	9,116	82,822
34	Customer Service	System Operator II	59,081	8,785	8,083	14,880	9,760	100,590
35	Customer Service	Cust Serv Tech II	50,205	91	500	14,909	8,294	73,998
36	Customer Service	Cust Serv Field Rep II	61,305	132	1,125	19,742	10,128	92,432
37	Engineering	Director of Engr	137,726	-	4,400	18,053	22,752	182,932
38	Engineering	Director of Prop. Dev.	144,779	-	8,637	18,173	23,917	195,506

SOUTH COAST WATER DISTRICT EMPLOYEE COMPENSATION DISCLOSURE  
FOR CALENDAR YEAR 2011

Line #	Department	Classification	Base Salary	Overtime	Other Pay*	Insurance Premiums	Pension Costs**	Total Compensation
39	Engineering	GIS Analyst	71,900	610	800	22,095	11,878	107,283
40	Engineering	Senior Civil Engr	112,797	-	5,501	15,293	19,378	152,968
41	Engineering	Senior Civil Engr	7,509	-	13,432	330	-	21,270
42	Engineering	Senior Eng Tech	63,563	81	1,100	16,200	10,501	91,444
43	Engineering	Permit Specialist	47,739	34	800	7,351	7,887	63,811
44	Engineering	Constr. Proj Mgr	95,890	912	2,745	7,973	16,162	123,682
45	Operations	Director Operations	156,988	-	5,804	21,161	25,934	209,888
46	Operations	O&M Superintendent	118,974	-	13,683	20,132	20,448	173,237
47	Operations	Fleet Supervisor	83,200	419	3,166	20,266	13,745	120,795
48	Operations	Recy Water/Cons Spr	84,564	5,551	1,911	24,857	13,970	130,854
49	Operations	SCADA Controls/Instr	87,356	46,893	5,695	20,795	14,728	175,467
50	Operations	Wtr Qual/CCC Insp	77,732	55	5,960	7,762	13,095	104,604
51	Operations	Electrical Tech II	75,622	1,632	7,518	16,745	12,987	114,505
52	Operations	Insp/FOG Prog Mgr	76,888	246	4,673	16,395	12,952	111,155
53	Operations	Recy Wtr/Cons Tech	73,828	3,690	1,025	20,677	12,196	111,416
54	Operations	Part Time Temp Emp	12,682	-	-	-	-	12,682
55	Operations	CMMS Administrator	69,327	160	8,112	7,680	11,453	96,732
56	Operations	O&M Technician	62,641	-	2,448	18,131	10,554	93,774
57	Operations	Sr Fleet Mechanic	59,209	370	950	19,319	9,781	89,629
58	Groundwater Recovery Fac.	Water Prod. Supervsr	99,057	24,588	5,314	20,828	16,364	166,150
59	Groundwater Recovery Fac.	Plant Operator	68,290	17,334	5,300	9,887	11,282	112,093
60	Groundwater Recovery Fac.	Plant Operator	57,533	3,214	4,060	19,677	9,504	93,987
61	Support Services	Support Services Mgr	99,884	179	7,615	20,977	16,501	145,156
62	Support Services	Safety Technician	76,263	580	3,660	20,741	12,599	113,843
63	Support Services	Emerg Svcs/Compliance	91,269	-	4,833	11,949	15,674	123,725
64	Support Services	Fac Maint Wrkr II	54,825	4,593	1,877	20,674	9,243	91,213
65	Water	System Operator III	84,900	6,500	11,501	7,435	14,565	124,901
66	Water	Senior System Oper	91,425	15,937	9,874	19,891	15,411	152,538
67	Water	System Operator II	68,233	6,564	3,050	21,302	11,272	110,421
68	Water	System Operator II	56,082	11,132	5,375	20,627	9,265	102,480
69	Water	System Operator III	54,294	4,812	3,375	22,029	8,969	93,479
70	Water	System Operator III	52,818	6,512	4,100	19,664	8,726	91,820
71	Water	System Operator III	51,097	6,100	4,038	16,221	8,441	85,898
72	Water	Disir System Supr	63,582	7,244	2,727	19,710	10,504	103,767
73	Water	System Operator II	59,086	8,195	4,280	7,313	9,761	88,635
74	Sanitary	Sr Lift Stn Mechanic	80,543	5,294	4,193	16,417	13,569	120,015
75	Sanitary	Coll Sys Supervisor	95,499	7,535	5,349	16,864	16,402	141,649
76	Sanitary	System Operator III	68,888	10,045	5,941	20,655	11,380	116,910

SOUTH COAST WATER DISTRICT EMPLOYEE COMPENSATION DISCLOSURE  
FOR CALENDAR YEAR 2011

Line #	Department	Classification	Base Salary	Overtime	Other Pay*	Insurance Premiums	Pension Costs**	Total Compensation
77	Sanitary	System Operator I	55,534	3,874	5,354	20,634	9,174	94,570
78	Sanitary	System Operator III	56,376	147	800	20,638	9,313	87,274
79	Sanitary	Senior System Oper	50,433	848	3,460	20,303	8,332	83,376
80	Sanitary	System Operator II	51,441	562	1,250	20,619	8,498	82,370
81	Sanitary	System Operator II	49,665	6,243	7,349	7,581	8,205	79,043
82	Sanitary	Senior System Oper	64,666	9,640	6,709	7,690	10,683	99,388
83	Sanitary	System Operator II	63,410	3,802	4,918	19,829	10,475	102,433
84	Sanitary	System Operator III	64,586	8,087	4,325	20,702	10,670	108,370
85	Sanitary	System Operator III	61,634	6,328	5,907	19,265	10,182	103,317
86	Joint Regional Supply Sys	Trans. Main Supervr	97,089	16,604	14,190	20,820	16,356	165,059
87	Joint Regional Supply Sys	Trans. Main Operator II	64,975	13,460	3,805	20,647	10,734	113,621
88	Joint Regional Supply Sys	Trans. Main Operator II	64,330	12,619	4,075	16,543	10,627	108,194
89	Joint Regional Supply Sys	Trans. Main Operator II	62,297	11,020	3,875	10,969	10,291	98,453
90	Joint Regional Supply Sys	Accountant	66,557	60	1,200	7,911	10,995	86,724
101	Dana Hills Tennis Ctr	Recreation Manager	92,171	-	5,000	16,836	15,227	129,234
91	Dana Hills Tennis Ctr	Part Time Tennis Att I	4,083	-	-	-	-	4,083
92	Dana Hills Tennis Ctr	Part Time Rec Asst I	4,715	-	-	-	-	4,715
93	Dana Hills Tennis Ctr	Part Time Rec Asst I	1,889	-	-	-	-	1,889
94	Dana Hills Tennis Ctr	Part Time Rec Asst I	1,598	-	-	-	-	1,598
95	Dana Hills Tennis Ctr	Part Time Rec Asst I	232	-	-	-	-	232
96	Dana Hills Tennis Ctr	Part Time Rec Asst II	295	-	-	-	-	295
97	Dana Hills Tennis Ctr	Part Time Tennis Att I	3,126	-	-	-	-	3,126
98	Dana Hills Tennis Ctr	Part Time Tennis Att I	2,002	-	-	-	-	2,002
99	Dana Hills Tennis Ctr	Part Time Tennis Att I	1,832	-	-	-	-	1,832
100	Dana Hills Tennis Ctr	Part Time Tennis Att I	60	-	-	-	-	60
102	Dana Hills Tennis Ctr	Part Time Ten Alt Sr	5,102	-	-	-	-	5,102
103	Dana Hills Tennis Ctr	Part Time Tennis Att I	8,147	-	-	-	-	8,147
			6,602,980	323,275	541,488	1,300,323	1,090,630	9,858,696

\* Other pay includes Board Meeting/Committee fees, deferred compensation match, on-call duty pay, merit payouts, pay in lieu of time off, and automobile allowances

\*\* Pension Costs -2% @ 55 - Includes both the Employer and Employee Contributions

CalPERS Employer Rate from January 1 - June 30, 2011 = 8.984%; from July 1 - December 31, 2011 = 10.059; District pays full employee rate of 7%

SOUTH COAST WATER DISTRICT  
CALPERS PENSION ANNUAL CONTRIBUTION RATES  
2% @ 55 Misc. Plan

F/Y/E	Employer Contribution	Employee Contribution*	Total
2012-13	10.238%	7.00%	17.238%
2011-12	10.059%	7.00%	17.059%
2010-11	8.984%	7.00%	15.984%
2009-10	8.768%	7.00%	15.768%
2008-09	8.777%	7.00%	15.777%
2007-08	8.000%	7.00%	15.000%

\* As of April 1, 2012 new employees hired on or after this date will pay the full 7% of the employee contribution. The District currently pays the full 7% of the employee contribution for employees hired prior to the April 1, 2012 date.